1. (Withdrawn) A system for distributing digital assets across a network, including between a first network device and a second network device, the system comprising:

- (a) first rights-holder server coupled to the network, said first right-holder server being adapted to introduce a digital asset for distribution, said digital asset having an associated first set of distribution rules; and
- (b) a second host server coupled to the network, said second host server being adapted to store and distribute said digital asset; and
- (c) a third management server coupled to the network, said third management server being adapted to track transfers of said digital asset over the network and to generate tracking records associated with said transfers; wherein said transfers over the network involving said digital asset between the first network device, the second network device and/or the second host server are processed in accordance with said first set of distribution rules.
- 2. (Withdrawn) The system of claim 1, wherein the first network device can obtain said digital asset from the second network device and/or said second host server, and without requiring further authorization from said first rights-holder server.
- 3. (Withdrawn) The system of claim 1, wherein a modification is made to said digital asset for each transfer, said modification being used by said third management server for generating said tracking records.
- 4. (Withdrawn) The system of claim 3, wherein said modification does not alter userperceptible content of said digital asset.
- 5. (Withdrawn) The system of claim 3, wherein said modification alters and/or adds an identification label for said digital asset so that each transfer of said digital asset is associated with a unique identification label.
- 6. (Withdrawn) The system of claim 1, wherein said second host server is implemented by at least one of the first network device or the second network device, so that transfers of said digital asset are performed in a peer-to-peer manner across the network.
- 7. (Withdrawn) The system of claim 1, wherein said digital asset includes audio, video, picture and/or text based data.
- 8. (Withdrawn) The system of claim 1, wherein a second set of distribution rules can be introduced by said first rights-holder server to affect transfers of said digital asset over the network.

- 9. (Withdrawn) The system of claim 1, wherein the network includes the Internet.
- 10. (Withdrawn) The system of claim 1, wherein said first set of distribution rules includes indexing information, terms of use, and a location of said second host server.
- 11. (Withdrawn) The system of claim 1, wherein said digital asset is also encrypted and/or contains steganographically processed data so as to reduce unauthorized transfers over said network.
- 12. (Withdrawn) The system of claim 1, wherein a new instantiation of said digital asset is created for each transfer occurring over the network between peer devices.
- 13. (Withdrawn) The system of claim 1, wherein said first network device is integrated within a fixed personal entertainment system, including a gambling machine, a digital jukebox, and/or a passenger seat.
- 14. (Withdrawn) A system for introducing digital assets into an electronic network distribution system, comprising:
 - (a) a first computer coupled to the electronic network distribution system; and
- (b) a first software routine executing on said first computer, said first software routine being configured to perform at least the following operations:
- i) receiving and storing a digital asset on said first computer; and
- ii) processing administration information for said digital asset, including an asset identifier and a rights-holder identifier, and associating the same with said digital asset; and
- iii) interacting with a digital asset management system to generate a modified version of said digital asset, said modified version of said digital asset being based on said administration information and tracking history information provided by said digital asset management system;
- iv) posting said modified version of said digital asset to a location suitable for download by said peer devices from the electronic network distribution system;

wherein said modified version of said digital asset is configured so that a tracking history can be maintained by said digital asset management system of each transfer of separate instantiations of said digital asset between peer devices coupled to the electronic network distribution.

- 15. (Withdrawn) The system of claim 14, wherein said administration information also includes terms of use and expiration data for said digital asset.
- 16. (Withdrawn) The system of claim 14, wherein said digital asset includes audio, video, picture and/or text based data.
- 17. (Withdrawn) The system of claim 14, wherein said first computer is a server coupled to the internet.
- 18. (Withdrawn) The system of claim 14, wherein said digital asset management system and/or said peer devices embed tracking information within said modified version of said digital asset during each instantiation of said digital asset.
- 19. (Withdrawn) The system of claim 18, wherein said tracking information includes a unique identifier for each transfer of said modified version of said digital asset within the electronic network.
- 20. (Withdrawn) The system of claim 14, wherein said first software routine is further configured to provide second administration information for a digital asset such that later instantiations of said digital asset within the electronic network distribution system are based on said second administration information.
- 21. (Withdrawn) The system of claim 14, wherein said first software routine is further configured to receive accounting information from said digital asset management system, including: (a) information concerning the number of instantiations of said digital asset created by transfers within the electronic network distribution system; (b) revenue derived from and/or to be credited for said transfers.

22. (Previously amended) A system for exchanging digital assets over a network, comprising:

- (a) a first computer coupled to the network, said first computer storing a digital asset which includes both digital content and a first unique identifier associated with a first instantiation of said digital asset; and
- (b) said first computer being adapted to set up a customer account and an authorization to play said digital asset on a second computer coupled to the network; and
- (c) a first software routine executing on said first computer and/or said second computer, said first software routine being adapted to coordinate transfer of said digital asset to said second computer;

wherein a second instantiation of said digital asset is created for said transfer to said second computer, said second instantiation including a second unique identifier including customer information associated with a customer for said digital asset;

further wherein said digital asset has no copy protection and can be transferred from said second computer to a third computer by said customer without requiring an additional authorization from said first computer.

- 23. (Original) The system of claim 22, wherein said first computer and said second computer operate to transfer said digital asset in a peer to peer manner across the Internet.
- 24. (Original) The system of claim 22, wherein after said transfer, a second transfer of said digital asset can occur from either said first computer and/or said second computer, said second transfer further using a third instantiation of said digital asset and a third unique identifier.
- 25. (Original) The system of claim 22, wherein at least said second computer is a portable electronics device, including a personal computer, a personal digital assistant, and/or a telephone.
- 26. (Original) The system of claim 22, wherein said digital content includes an MP3 based audio file.

- 27. (Original) The system of claim 22, wherein said second unique identifier is based on combining information from any one or more of the following: a first id for said first computer, a second id for said second computer, an asset id for said digital asset, a customer id, a randomly generated number and/or a time of said transfer.
- 28. (Original) The system of claim 22, wherein a catalog of available digital assets is maintained at said first computer.
- 29. (Original) The system of claim 22, wherein said first software routine is also configured to execute an authorization routine, said authorization routine being adapted to secure agreement from a user of said second computer to access terms associated with said digital asset.
- 30. (Original) The system of claim 29, wherein said first routine is also configured to execute a setup routine, said setup routine being adapted to set up a transaction account with a digital asset management system separate from said first computer and said second computer, said transaction account including an identifier for a user of said second computer, identifiers for any transfers performed by said user, and billing information associated with said transfers.
- 31. (Original) The system of claim 29, wherein said first computer coordinates said transfer to said second computer in cooperation with a digital asset management system, such that said digital asset management system provides said second unique identifier.
- 32. (Original) The system of claim 31, wherein said first computer provides authorization for said digital asset management system to track all transfers of digital assets from said first computer.
- 33. (Original) The system of claim 32, wherein said first computer also performs hosting functions, and further receives credits from said digital asset management system for all authorized transfers made of digital assets.
- 34. (Original) The system of claim 29, wherein said second computer polls other computers coupled to the network to determine an optimal transfer source for said digital asset.
- 35. (Original) The system of claim 29, wherein said digital content includes content for a newspaper, a book, a magazine, and/or a periodical.

36. (Original) The system of claim 29, wherein said second instantiation of said digital asset is created in accordance with distribution rules in place at the time of said transfer, which distribution rules can be different from distribution rules in place at the time of creation of said first instantiation of said digital asset.

37. (Original) The system of claim 29, wherein said second computer is integrated within a fixed personal entertainment system, including a gambling machine, a digital jukebox, and/or a passenger seat.

38. (Withdrawn) A system for managing transfers of digital assets over a network, comprising:

- (a) a management computer coupled to the network; and
- (b) a first software routine executing on said management computer, said first software routine being adapted to prepare a digital asset for transfer over the network in accordance with a set of distribution rules;

wherein a modified version of said digital asset is generated by said first software routine, said modified version including a unique identification number associated with a first instantiation of said modified version of said digital asset; and

(c) a second software routine executing on said management computer, said second software routine being adapted to track transfers of said digital asset over the network; and

wherein a separate instantiation of said digital asset is created for each transfer occurring over the network.

- 39. (Withdrawn) The system of claim 38, wherein said set of distribution rules are provided by a rights-holder management system, and include restrictions on terms of use and time periods of use.
- 40. (Withdrawn) The system of claim 39, wherein said set of distribution rules include information on title, author, and identification numbers for said digital asset.
- 41. (Withdrawn) The system of claim 38, wherein said unique identification number is embedded into said first instantiation of said modified version of said digital asset using a steganographic process.
- 42. (Withdrawn) The system of claim 38, wherein said transfers of said digital asset take place in a peer-to-peer manner over the network in coordination with said management computer and such that a complete tracking history for said digital asset is maintained by the system.
- 43. (Withdrawn) The system of claim 42, wherein said second software routine interfaces with a first client system and a second client system connected to the network in a peer to peer relationship, and provides unique identification numbers for each transfer occurring over the network between said first client system and said second client system.

- 44. (Withdrawn) The system of claim 38, wherein said first software routine further identifies network accessible locations available for transfers of said digital asset.
- 45. (Withdrawn) The system of claim 38, further including an accounting routine for performing accounting functions in connection with said transfers, including crediting of rights holders accounts, crediting of transaction host accounts, and/or debiting of user accounts.
- 46. (Withdrawn) The system of claim 38, further including a monitoring routine for performing authentication operations on digital assets stored and/or transferred between client systems over the network, said authentication operations including a determination of an embedded serial number of a digital asset and an identification of a last authorized transfer of said digital asset.
- 47. (Withdrawn) The system of claim 46, wherein adjustments to a user account, including access privileges, are made in accordance with the determinations made by said monitoring routine.
- 48. (Withdrawn) The system of claim 38, wherein a subsequent unique identification number used for a second instantiation of said digital asset is derived in part from said unique identification number.
- 49. (Withdrawn) The system of claim 48, wherein a tracking history for said digital asset, including all transfers over the network, can be derived from said subsequent unique identification number.
- 50. (Withdrawn) The system of claim 38, wherein at least some portions of said modified version of said digital asset are encrypted and/or contain steganographically processed data.
- 51. (Withdrawn) The system of claim 38, wherein distributions of said digital asset over said network are not preconditioned on securing authorization for individual copies of said digital asset.
- 52. (Withdrawn) The system of claim 38, wherein electronic indexes and catalogs are provided by the management computer for facilitating locating and transferring of said digital asset.

53. (Withdrawn) A method of distributing digital assets in a peer-to-peer connectable environment across a network, including between a first peer network device and a second peer network device, the method comprising the steps of:

- (a) introducing a digital asset into the peer-to-peer connectable environment, said digital asset having an associated first set of distribution rules; and
- (b) storing and distributing said digital asset at a first network accessible location so that a transfer of said digital asset can be made by the first peer network device and/or the second peer network device; and
- (c) generating a tracking record associated with said transfer; and
- (d) repeating at least step (c) for any subsequent transfers of said digital asset within the network;

wherein said transfer as well as any of said subsequent transfers over the network involving said digital asset between the first peer network device, the second peer network device and/or the first network accessible location are processed in accordance with said first set of distribution rules and are associated with tracking records.

54. (Withdrawn) A method of introducing digital assets into an electronic network distribution system, comprising the steps of:

- (a) receiving and storing a digital asset on a first computer coupled to the electronic network distribution system; and
- (b) processing administration information for said digital asset, including an asset identifier and a rights-holder identifier;
- (c) associating said administration information with said digital asset; and
- (d) interacting with a digital asset management system to generate a modified version of said digital asset, said modified version of said digital asset being based on said administration information and tracking history information provided by said digital asset management system;
- (e) posting said modified version of said digital asset to a location suitable for download by client devices from the electronic network distribution system; wherein said modified version of said digital asset is configured so that a tracking history can be maintained by said digital asset management system of each transfer of separate instantiations of said digital asset between peer devices coupled to the electronic network distribution.

- 55. (Previously Amended) A method of exchanging digital assets over a network, comprising the steps of:
 - (a) storing a digital asset on a first computer coupled to the network, which digital asset includes both digital content and a first unique identifier associated with a first instantiation of said digital asset; and
 - (b) setting up a customer account with said first computer including an authorization to play said digital asset on a second computer coupled to said first computer over the network; and
 - (c) creating a second instantiation of said digital asset, including a second unique identifier;

wherein said second unique identifier includes customer information associated with a customer for said digital asset;

- (d) storing said second instantation of said digital asset at said second computer; wherein said digital asset has no copy protection and can be transferred from said second computer to a third computer by said customer without requiring an additional authorization from said first computer.
- 56. (Withdrawn) A method of managing transfers of digital assets over a network, comprising the steps of:
 - (a) coupling a digital asset management computer to the network; and
 - (b) providing a digital asset to said digital asset management computer; and
 - (c) providing a set of distribution rules for said digital asset; and
 - (d) preparing a modified version of said digital asset for transfer over the network in accordance with said set of distribution rules, said modified version including a unique identification number associated with a first instantiation of said modified version of said digital asset; and
 - (e) tracking transfers of said digital asset over the network; wherein a separate instantiation of said digital asset is created for each transfer occurring over the network.

57. (Withdrawn) A method of providing a digital asset for distribution comprising the steps of:

- (a) preparing a digital asset for distribution over an electronic network, said digital asset including digital content that is associated with a digital rights holder;
- (b) providing a serial number for said digital asset, said serial number being uniquely identified with a first introduction of digital asset for distribution within said electronic network; and
- (c) embedding said serial number within said digital asset so as to generate a first instantiation of said digital asset suitable for distribution over said electronic network; and
- (d) placing said first instantiation of said digital asset in one or more locations accessible by users of said electronic network; and
- (e) providing a list of said one or more locations so that said users of said electronic network can locate said first instantion of said digital asset;
- (f) updating a transaction database associated with said digital asset to reflect an occurrence of said first instantiation of said digital asset;
- (g) updating a digital asset index database with administrative information associated with said digital asset, including a list of said one or more locations, terms of use of said digital asset and category information for said digital asset;

wherein users of said electronic network can monitor said digital asset index database before electing to access said first instantiation and/or later instantiations of said digital asset.

58. (Withdrawn) A method of distributing a digital asset within an electronic network comprising the steps of:

(a) providing an index of digital assets available for distribution over the electronic network, each digital asset having a first serial number associated with a first transfer within the network, and including digital content that is associated with a digital rights holder;

wherein said index includes a list of one or more locations for said digital assets, terms of use of said digital assets and category information for said digital assets; and

- (b) providing a second serial number for said digital asset in response to a request for a second transfer of a digital asset, said second serial number being embedded within said digital asset; and
- (c) transferring said digital asset from a host server to a client device in response to a confirmation of acceptance of said terms of use for said digital asset; and
- (d) updating a transaction database associated with said digital asset to reflect said second transfer of said digital asset.

- 59. (Previously submitted) The method of claim 55, further including a step: storing said second unique identifier as part of said digital asset.
- 60. (Previously submitted) The method of claim 55, further including a step transferring said digital asset between said first computer and said second computer in a peer to peer manner across the Internet.
- 61. (Previously submitted) The method of claim 55, further including a step: performing a second transfer of said digital asset from either said first computer and/or said second computer, said second transfer further using a third instantiation of said digital asset and a third unique identifier.
- 62. (Previously submitted) The method of claim 55, wherein at least said second computer is a portable electronics device, including a personal computer, a personal digital assistant, and/or a telephone.
- 63. (Previously submitted) The method of claim 55, wherein said digital content includes an audio file.
- 64. (Previously submitted) The method of claim 55, wherein said second unique identifier is based on combining information from any one or more of the following: a first id for said first computer, a second id for said second computer, an asset id for said digital asset, a customer id, a randomly generated number and/or a time of said transfer.
- 65. (Previously submitted) The method of claim 55, wherein a catalog of available digital assets is maintained at said first computer.
- 66. (Previously submitted) The method of claim 55, wherein said first software routine is also configured to execute an authorization routine, said authorization routine being adapted to secure agreement from a user of said second computer to access terms associated with said digital asset.
- 67. (Previously submitted) The method of claim 55, wherein said first routine is also configured to execute a setup routine, said setup routine being adapted to set up a transaction account with a digital asset management system separate from said first computer and said second computer, said transaction account including an identifier for a user of said second computer, identifiers for any transfers performed by said user, and billing information associated with said transfers.

- 68. (Previously submitted) The method of claim 55, wherein said first computer coordinates said transfer to said second computer in cooperation with a digital asset management system, such that said digital asset management system provides said second unique identifier.
- 69. (Previously submitted) The method of claim 68, wherein said first computer provides authorization for said digital asset management system to track all transfers of digital assets from said first computer.
- 70. (Previously submitted) The method of claim 68, wherein said first computer also performs hosting functions, and further receives credits from said digital asset management system for all authorized transfers made of digital assets.
- 71. (Previously submitted) The method of claim 55, wherein said second computer polls other computers coupled to the network to determine an optimal transfer source for said digital asset.
- 72. (Previously submitted) The method of claim 55, wherein said digital content includes content for a newspaper, a book, a magazine, and/or a periodical.
- 73. (Previously submitted) The method of claim 55, wherein said second instantiation of said digital asset is created in accordance with distribution rules in place at the time of said transfer, which distribution rules can be different from distribution rules in place at the time of creation of said first instantiation of said digital asset.
- 74. (Previously submitted) The method of claim 55, wherein said second computer is integrated within a fixed personal entertainment system, including a gambling machine, a digital jukebox, and/or a passenger seat.

75. (Previously Amended) A method of exchanging digital assets over a network, comprising the steps of:

- (a) providing a first computing system coupled to the network;
- (b) storing a digital asset in one or more storage systems accessible to said first computing system, which digital asset includes both digital content and a first unique identifier associated with a first instantiation of said digital asset; and
- (c) providing a second computing system which is coupled to the network and implements a digital asset management system which stores transaction information concerning said digital asset;
- (d) selectively coupling said first computing system to a third computing system in response to a request made for said digital asset by a routine executing on behalf of said third computing system; and
- (e) processing said request at said second computing system to generate an authorization for a transfer of said digital content of said digital asset;
- (f) determining which one or more of said one or more storage systems should be used to transfer said digital content for said digital asset;
- (g) creating a second instantiation of said digital asset for said request, including a second unique identifier; wherein said second unique identifier includes customer information associated with a customer for said digital asset;
- (h) transferring said second instantiation of said digital asset, including said second unique identifier, to said third computing system from one or more of said one or more storage systems based on said authorization;

updating said transaction information at said second computing system based on said transfer;

wherein each transfer of said digital asset between different computing systems is associated with a unique identifier embedded within the digital asset to facilitate tracking across the network, such that different versions of the digital asset are created for said transfers, and each version carries a complete transaction record of transfers of prior versions.

76. (Previously submitted) The method of claim 75, wherein said authorization includes a right to host said digital asset at said third computing system.

- 77. (Previously submitted) The method of claim 75 further including a step: crediting a rights holder account based on said transfer of said digital asset.
- 78. (Previously submitted) The method of claim 75 further including a step: debiting a customer account based on said transfer of said digital asset.
- 79. (Previously submitted) The method of claim 75, further including a step: determining whether one or more of said storage systems is storing an unauthorized version of said digital asset.
- 80. (Previously submitted) The method of claim 79, further including a step: determining a source of a prior transfer of said unauthorized version of said digital asset.
- 81. (New) The method of claim 22 further including a step: recording a time stamp associated with each transfer of said digital asset across the network.
- 82. (New) The method of claim 22 wherein said digital asset includes an associated advertisement.
- 83. (New) The method of claim 22: further including a step: converting a second digital asset on said second computer to a second instantiation of said second digital asset including a third unique identifier including customer information associated with a customer for said second digital asset; further wherein said second digital asset has no copy protection and can be transferred from said second computer to a third computer by said customer without requiring an additional authorization from said first computer.